



State Capitol | Lansing, Michigan 48913

PH (517) 373.3760 | FAX (517) 373.8661

[www.senate.michigan.gov/gop/senator/cropsey/](http://www.senate.michigan.gov/gop/senator/cropsey/)

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Contact: John Lazet  
517-373-3760

### **Legislation helping Federal Mogul, local jobs signed by governor**

**LANSING** – Sen. Alan Cropsey, R-DeWitt, announced today that legislation designed to help prevent the potential loss of thousands of Michigan jobs was signed into law by the governor.

“This legislation shows how hard state leaders are fighting for every Michigan job,” Cropsey said. “Michigan has been hit too hard in the recent economic downturn not to find ways to ensure state companies can compete globally.”

Two of the largest companies the new law will assist are Federal Mogul, which would potentially retain 780 jobs, and Mid-Michigan Packing in Mason.

The new law amends the Michigan Economic Growth Authority Act to allow new or retained jobs at a company receiving credits to be spread between multiple work sites. This gives companies more flexibility to expand and maintain jobs.

The law also creates a new category of retention MEGA credit to aid the Michigan Economic Development Corporation during their negotiations with Federal Mogul. Firms must maintain 150 retained jobs at a facility, maintain more than 1,000 full-time jobs in Michigan and make a new capital investment to be considered for a MEGA tax credit.

Senate Bill 824 also created a new retention category to help companies like Mid-Michigan Packing. Firms will be required to maintain at least 100 retained jobs at a single facility and must agree to make a new capital investment equal to the greater of \$15 million or \$150,000 per job maintained at the facility by Dec. 31, 2006.

“Besides supporting MEGA, I’ve pushed to keep Michigan taxes low and regulations reasonable to keep the state’s business climate friendly,” Cropsey said.

The MEGA program is designed to promote business investment and new job creation, as well as job retention in large, established Michigan companies. The program is focused on helping businesses overcome cost differences that could cause them to move out of state.

MEGA tax credits have helped numerous companies locate or remain in Michigan since its creation in 1995. Eligible businesses must be in the manufacturing, research and development, high tech, mining, wholesale/trade, or office operations sectors.

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